

Financial supplement (unaudited) 2014

Zurich Insurance Group
Results for the six months to June 30, 2014

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The information contained within the Financial supplement is unaudited. This document should be read in conjunction with the Zurich Insurance Group Consolidated financial statements in the Annual Report 2013 and with its unaudited Consolidated financial statements for the six months to June 30, 2014.

Information regarding accounting policies is included in the notes to the Consolidated financial statements in the Annual Report 2013.

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From January 1, 2014, the General Insurance business manages Middle East and Africa together with Europe to form a single market-facing business called Europe, Middle East & Africa (EMEA). This change had no impact on total General Insurance or the Group. Comparative figures have been restated to reflect this.

The Group has reviewed the definition of net technical expenses within the General Insurance segment resulting in the reclassification of certain income and expenses between the net non-technical result and net technical expenses. As a result, comparative figures for the total net technical expenses, net underwriting result, net non-technical result (excl. items not included in BOP), expense ratio and combined ratio have been restated to reflect this change.

Financial highlights (unaudited)

Business operating profit by business segment	in USD millions, for the six months ended June 30													
	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenues														
Direct written premiums ¹	19,009	18,702	5,754	5,730	–	–	–	–	45	57	–	–	24,808	24,489
Assumed written premiums	986	1,068	112	52	1,960	2,034	21	62	50	46	(63)	(95)	3,066	3,166
Gross Written Premiums	19,995	19,770	5,865	5,782	1,960	2,034	21	62	95	102	(63)	(95)	27,874	27,654
Policy fees	–	–	1,273	1,150	–	–	–	–	166	127	–	–	1,439	1,277
Gross written premiums and policy fees	19,995	19,770	7,139	6,931	1,960	2,034	21	62	262	230	(63)	(95)	29,314	28,932
Less premiums ceded to reinsurers	(3,009)	(3,314)	(302)	(348)	–	–	(26)	(25)	(9)	(22)	63	95	(3,283)	(3,613)
Net written premiums and policy fees	16,986	16,456	6,837	6,583	1,960	2,034	(5)	37	253	208	–	–	26,030	25,319
Net change in reserves for unearned premiums	(1,996)	(1,993)	(1)	(250)	9	19	–	–	–	–	–	–	(1,989)	(2,223)
Net earned premiums and policy fees	14,990	14,464	6,835	6,334	1,969	2,053	(5)	37	253	208	–	–	24,042	23,095
Farmers management fees and other related revenues	–	–	–	–	1,391	1,408	–	–	–	–	–	–	1,391	1,408
Net investment result on Group investments	1,173	1,182	2,342	2,240	36	54	163	167	406	(291)	(283)	(304)	3,837	3,047
Net investment income on Group investments	1,113	1,127	1,981	1,990	36	54	163	167	206	154	(283)	(304)	3,217	3,187
Net capital gains/(losses) and impairments on Group investments	60	55	361	249	–	–	–	–	200	(445)	–	–	621	(140)
Net investment result on unit-linked investments	–	–	4,118	5,805	–	–	–	–	287	(169)	–	–	4,405	5,636
Other income	401	437	592	549	56	37	404	381	10	55	(615)	(613)	849	846
Total BOP revenues	16,563	16,082	13,888	14,928	3,452	3,551	562	585	956	(197)	(898)	(917)	34,523	34,031
<i>of which: inter-segment revenues</i>	<i>(178)</i>	<i>(184)</i>	<i>(199)</i>	<i>(174)</i>	<i>(18)</i>	<i>(32)</i>	<i>(476)</i>	<i>(505)</i>	<i>(27)</i>	<i>(22)</i>	<i>898</i>	<i>917</i>		
Benefits, losses and expenses														
Insurance benefits and losses, net ¹	9,909	9,914	5,069	4,493	1,363	1,468	(9)	32	414	(138)	–	–	16,746	15,769
Losses and loss adjustment expenses, net	9,907	9,915	–	–	1,363	1,468	(1)	–	27	17	–	3	11,296	11,404
Life insurance death and other benefits, net ¹	2	(1)	5,069	4,493	–	–	(8)	32	387	(155)	–	(3)	5,450	4,366
Policyholder dividends and participation in profits, net	1	2	4,944	6,496	–	–	–	–	374	(180)	–	–	5,318	6,318
Income tax expense/(benefit) attributable to policyholders	–	–	(21)	147	–	–	–	–	–	–	–	–	(21)	147
Underwriting and policy acquisition costs, net	2,962	2,790	1,502	1,359	617	644	–	–	3	4	(5)	(5)	5,080	4,792
Administrative and other operating expense (excl. depreciation/amortization)	1,845	1,744	1,316	1,210	649	682	504	525	52	40	(595)	(581)	3,772	3,620
Interest credited to policyholders and other interest	19	14	208	248	–	–	2	2	76	47	(19)	(11)	285	299
Restructuring provisions and other items not included in BOP	(79)	(15)	(118)	(41)	3	(6)	(23)	(70)	–	1	–	–	(217)	(131)
Total BOP benefits, losses and expenses (before interest, depreciation and amortization)	14,657	14,448	12,900	13,912	2,632	2,788	475	489	919	(226)	(619)	(597)	30,963	30,814
Business operating profit (before interest, depreciation and amortization)	1,906	1,634	988	1,016	820	763	87	95	37	28	(279)	(320)	3,560	3,217
Depreciation and impairments of property and equipment	42	43	15	15	23	24	3	7	–	–	–	–	85	90
Amortization and impairments of intangible assets	103	102	218	196	41	42	62	36	–	–	–	–	425	377
Interest expense on debt	59	74	9	11	–	–	481	513	6	11	(279)	(320)	277	290
Business operating profit before non-controlling interests	1,702	1,415	745	794	756	696	(460)	(461)	32	17	–	–	2,774	2,461
Non-controlling interests	50	46	111	135	–	–	(8)	(8)	1	–	–	–	153	173
Business operating profit	1,652	1,369	634	659	756	696	(452)	(453)	31	17	–	–	2,621	2,288

¹ Global Life included approximately USD 383 million and USD 234 million of gross written premiums and future life policyholders' benefits for certain universal life-type contracts in the Group's Spanish operations for the six months ended June 30, 2014 and 2013, respectively (see note 3 of the Consolidated financial statements 2013).

Financial highlights (unaudited)

Reconciliation of BOP to net income after income taxes

in USD millions, for the six months ended June 30

	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Business operating profit	1,652	1,369	634	659	756	696	(452)	(453)	31	17	2,621	2,288
Revenues/(expenses) not included in BOP:												
Net capital gains/(losses) on investments and impairments, net of policyholder allocation	266	252	257	34	9	–	–	(14)	–	3	532	276
Net gain/(loss) on divestments of businesses	–	–	–	–	–	–	–	–	(13)	–	(13)	–
Restructuring provisions	(9)	(5)	(29)	(21)	1	(6)	(21)	1	–	–	(58)	(32)
Net income/(expense) on intercompany loans	(6)	(6)	(1)	(1)	–	–	7	7	–	–	–	–
Impairment of goodwill	–	–	(59)	–	–	–	–	–	–	–	(59)	–
Change in estimate of earn-out liabilities	(19)	–	(14)	–	–	–	–	–	–	–	(33)	–
Other adjustments ¹	(45)	(5)	(15)	(19)	2	–	(9)	(78)	–	1	(67)	(100)
Add back:												
Business operating profit attributable to non-controlling interests	50	46	111	135	–	–	(8)	(8)	1	–	153	173
Net income before shareholders' taxes	1,888	1,652	884	787	768	690	(483)	(546)	19	21	3,076	2,605
Income tax expense/(benefit) attributable to policyholders	–	–	(21)	147	–	–	–	–	–	–	(21)	147
Net income before income taxes	1,888	1,652	863	935	768	690	(483)	(546)	19	21	3,055	2,752
Income tax expense											(824)	(744)
attributable to policyholders											21	(147)
attributable to shareholders											(846)	(596)
Net income after taxes											2,231	2,008
attributable to non-controlling interests											122	157
attributable to shareholders											2,109	1,851

¹ General Insurance includes real estate transfer tax of USD 41 million relating to the acquisition of non-controlling interests of Deutscher Herold AG for the six months ended June 30, 2014 (see note 2). Other Operating Businesses includes USD 77 million release of non-operational foreign exchange relating to the closure of a branch office for the six months ended June 30, 2013.

Financial highlights (unaudited)

Assets and liabilities by business segment	in USD millions, as of													
	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total	
	06/30/14	12/31/13	06/30/14	12/31/13	06/30/14	12/31/13	06/30/14	12/31/13	06/30/14	12/31/13	06/30/14	12/31/13	06/30/14	12/31/13
Assets														
Total Group Investments	91,668	90,369	119,172	113,864	3,702	3,769	18,127	17,834	10,516	9,856	(28,442)	(28,412)	214,743	207,280
Cash and cash equivalents	9,995	10,125	4,253	3,181	596	418	9,586	9,023	1,893	1,676	(18,095)	(17,242)	8,227	7,181
Equity securities	8,646	6,733	6,616	5,132	89	91	638	1,098	136	130	–	–	16,124	13,183
Debt securities	64,954	65,408	84,540	80,715	1,284	1,190	6,194	5,925	5,560	5,012	(1,748)	(1,794)	160,785	156,456
Real estate held for investment	3,312	3,159	5,239	5,239	95	76	–	–	258	272	–	–	8,904	8,745
Mortgage loans	1,491	1,470	6,939	7,463	–	–	–	–	768	864	–	–	9,197	9,798
Other loans	3,266	3,467	11,574	12,069	1,638	1,995	1,654	1,733	1,898	1,901	(8,598)	(9,376)	11,432	11,789
Investments in associates and joint ventures	5	7	11	65	–	–	55	55	2	2	–	–	74	129
Investments for unit-linked contracts	–	–	128,292	122,423	–	–	–	–	12,038	11,844	–	–	140,331	134,267
Total investments	91,668	90,369	247,464	236,287	3,702	3,769	18,127	17,834	22,554	21,701	(28,442)	(28,412)	355,074	341,547
Reinsurers' share of reserves for insurance contracts	12,659	13,008	2,128	2,068	–	–	–	–	3,053	3,013	(106)	(111)	17,735	17,978
Deposits made under assumed reinsurance contracts	42	56	84	49	2,392	2,376	–	–	142	165	(5)	(2)	2,656	2,645
Deferred policy acquisition costs	4,090	3,794	14,670	14,606	320	323	–	–	–	–	1	–	19,082	18,724
Deferred origination costs	–	–	705	724	–	–	–	–	–	–	–	–	705	724
Goodwill	597	588	388	445	819	819	–	–	–	–	–	–	1,805	1,852
Other intangible assets	1,367	1,369	4,089	4,023	1,360	1,368	223	268	–	–	–	–	7,039	7,028
Other assets	17,067	15,492	10,031	7,291	934	985	1,290	1,662	1,818	1,324	(3,027)	(2,198)	28,113	24,556
Total assets (after cons. of investments in subsidiaries)	127,491	124,675	279,558	265,493	9,528	9,640	19,641	19,765	27,568	26,203	(31,578)	(30,723)	432,207	415,053
Liabilities														
Liabilities for investment contracts	–	–	70,742	67,113	–	–	–	–	238	–	–	–	70,980	67,113
Reserves for insurance contracts, gross	83,650	82,148	166,806	161,131	2,822	2,820	30	35	20,827	19,416	(106)	(111)	274,029	265,440
Reserves for losses and loss adjustment expenses, gross	64,864	65,629	–	–	1,622	1,612	26	27	1,884	1,119	(82)	(75)	68,314	68,312
Reserves for unearned premiums, gross	18,677	16,409	–	–	1,199	1,208	3	3	16	17	(24)	(21)	19,873	17,616
Future life policyholders' benefits, gross	77	77	80,745	80,302	–	–	–	5	4,606	4,107	–	(14)	85,429	84,476
Policyholders' contract deposits and other funds, gross	32	33	20,650	17,801	–	–	–	–	2,282	2,328	–	–	22,964	20,162
Reserves for unit-linked contracts, gross	–	–	65,411	63,028	–	–	–	–	12,038	11,844	–	–	77,449	74,873
Senior debt	1,113	7,021	366	545	6	172	14,139	24,251	594	1,668	(10,169)	(27,612)	6,048	6,044
Subordinated debt	193	193	7	7	–	–	6,507	6,268	23	23	(149)	(149)	6,582	6,342
Other liabilities	21,068	14,611	21,231	17,147	1,279	1,175	11,925	1,830	4,268	3,467	(21,155)	(2,850)	38,616	35,380
Total liabilities	106,025	103,973	259,151	245,943	4,107	4,167	32,600	32,385	25,950	24,574	(31,578)	(30,723)	396,254	380,319
Equity														
Shareholders' equity													33,699	32,503
Non-controlling interests													2,254	2,231
Total equity													35,953	34,734
Total liabilities and equity													432,207	415,053
Supplementary segment information														
Reserves for losses and loss adjustment expenses, net	54,975	55,102	–	–	1,622	1,612	26	27	1,255	569	–	10	57,879	57,319
Reserves for unearned premiums, net	15,811	13,812	–	–	1,199	1,208	3	3	16	16	–	–	17,030	15,040
Future life policyholders' benefits, net	77	77	78,606	78,224	–	–	–	5	4,174	3,679	–	(10)	82,857	81,975
Policyholders' contract deposits and other funds, net	32	33	20,649	17,801	–	–	–	–	270	292	–	–	20,952	18,126
Reserves for unit-linked contracts, net	–	–	65,411	63,028	–	–	–	–	12,038	11,844	–	–	77,449	74,873
Reserves for insurance contracts, net	70,896	69,024	164,666	159,053	2,822	2,820	30	35	17,753	16,401	–	–	256,166	247,333

General Insurance (unaudited)

General Insurance – Customer segment overview	in USD millions, for the six months ended June 30													
	Global Corporate		North America Commercial		Europe, Middle East & Africa		International Markets		GI Global Functions including Group Reinsurance		Eliminations		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Gross written premiums and policy fees ¹	5,426	5,192	5,229	5,318	7,305	7,037	2,160	2,510	186	205	(310)	(492)	19,995	19,770
Net earned premiums and policy fees	3,142	2,904	3,688	3,611	6,245	6,052	1,910	1,894	6	3	–	–	14,990	14,464
Insurance benefits and losses, net	2,324	2,077	2,417	2,530	4,037	4,188	1,130	1,130	1	(10)	–	–	9,909	9,914
Policyholder dividends and participation in profits, net	(1)	–	2	2	–	–	–	–	–	–	–	–	1	2
Total net technical expenses	688	600	1,134	1,065	1,880	1,805	778	793	13	6	(1)	(1)	4,492	4,268
Net underwriting result	131	227	135	14	328	59	1	(29)	(9)	7	1	1	588	279
Net investment income	269	251	307	328	389	393	113	116	36	39	(2)	(1)	1,113	1,127
Net capital gains/(losses) and impairments on investments	18	16	35	39	4	1	2	–	–	–	–	–	60	55
Net non-technical result (excl. items not included in BOP)	(18)	(15)	(10)	(16)	(35)	(41)	24	76	(21)	(51)	1	1	(59)	(46)
Business operating profit before non-controlling interests	401	479	468	365	686	413	140	163	6	(5)	–	–	1,702	1,415
Non-controlling interests	–	–	–	–	7	6	43	40	–	–	–	–	50	46
Business operating profit	401	479	469	365	679	407	97	122	6	(5)	–	–	1,652	1,369
Ratios, as % of net earned premiums and policy fees														
Loss ratio	74.0%	71.5%	65.5%	70.1%	64.6%	69.2%	59.2%	59.6%	nm	nm	n/a	n/a	66.1%	68.5%
Expense ratio	21.9%	20.7%	30.8%	29.5%	30.1%	29.8%	40.7%	41.9%	nm	nm	n/a	n/a	30.0%	29.5%
Combined ratio	95.8%	92.2%	96.3%	99.6%	94.7%	99.0%	99.9%	101.5%	nm	nm	n/a	n/a	96.1%	98.1%

¹ For the six months ended June 30, 2013, gross written premiums relating to corporate business in Latin America were included within International Markets and then internally reinsured to Global Corporate. The internal reinsurance was then eliminated for total General Insurance but shown within gross written premiums for both Global Corporate and International Markets. For the six months ended June 30, 2014, the business was reported directly within Global Corporate.

General Insurance (unaudited)

General Insurance – Revenues by region	in USD millions, for the six months ended June 30		Gross written premiums and policy fees from external customers		of which Global Corporate	
	2014	2013	2014	2013	2014	2013
North America						
United States	6,711	6,687				
Canada	484	489				
Bermuda	5	5				
North America	7,200	7,180	2,049	1,956		
Europe						
United Kingdom	2,155	1,996				
Germany	2,039	1,923				
Switzerland	2,337	2,228				
Italy	910	933				
Spain	799	789				
Austria	340	315				
Ireland	202	186				
Portugal	165	167				
France	265	262				
Rest of Europe	552	578				
Europe	9,764	9,377	2,743	2,652		
Latin America						
Argentina	206	208				
Brazil	506	572				
Chile	151	135				
Mexico	358	365				
Venezuela	102	87				
Rest of Latin America	20	19				
Latin America¹	1,342	1,387	236	–		
Asia-Pacific						
Australia	560	649				
Hong Kong	82	114				
Japan	360	364				
Taiwan	66	67				
Malaysia	97	88				
Rest of Asia-Pacific	136	138				
Asia-Pacific	1,301	1,421	248	299		
Middle East	127	108	106	81		
Africa						
South Africa	183	223				
Morocco	77	73				
Africa	260	296	13	26		
Total	19,994	19,769	5,395	5,013		

¹ Global Corporate previously not separately disclosed

General Insurance (unaudited)

Customer segment reporting – Europe, Middle East & Africa by country	in USD millions, for the six months ended June 30															
	United Kingdom		Germany		Switzerland		Italy		Rest of Europe		Middle East & Africa		Eliminations		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Gross written premiums and policy fees	1,403	1,276	1,689	1,613	1,813	1,738	787	804	1,280	1,236	339	378	(6)	(7)	7,305	7,037
Net earned premiums and policy fees	1,317	1,197	1,347	1,296	1,245	1,202	841	847	1,201	1,177	295	333	–	–	6,245	6,052
Net underwriting result	66	24	69	(89)	173	138	69	52	(34)	(19)	(15)	(46)	–	–	328	59
Business operating profit	147	125	126	(62)	257	224	113	98	26	44	10	(21)	–	–	679	407

Ratios, as % of net earned premiums and policy fees

Loss ratio	63.8%	66.4%	64.2%	77.3%	61.8%	63.6%	62.0%	65.8%	70.7%	70.3%	65.8%	72.7%	n/a	n/a	64.6%	69.2%
Expense ratio	31.3%	31.6%	30.7%	29.5%	24.4%	25.0%	29.8%	28.0%	32.1%	31.4%	39.3%	41.1%	n/a	n/a	30.1%	29.8%
Combined ratio	95.0%	98.0%	94.9%	106.8%	86.1%	88.5%	91.7%	93.9%	102.8%	101.7%	105.2%	113.8%	n/a	n/a	94.7%	99.0%

Customer segment reporting – Europe, Middle East & Africa Commercial and Personal	in USD millions, for the six months ended June 30															
					Commercial		Personal		Eliminations				Total			
			2014	2013	2014		2013		2014		2013		2014		2013	
Gross written premiums and policy fees			3,211	3,089	4,095		3,950		(1)		(1)		7,305		7,037	
Net earned premiums and policy fees			2,576	2,464	3,669		3,589		–		–		6,245		6,052	
Net underwriting result			97	(169)	231		229		–		(1)		328		59	
Business operating profit			293	19	386		389		–		–		679		407	

Ratios, as % of net earned premiums and policy fees

Loss ratio			67.1%	76.6%	62.9%		64.1%		n/a		n/a		64.6%		69.2%	
Expense ratio			29.2%	30.2%	30.8%		29.5%		n/a		n/a		30.1%		29.8%	
Combined ratio			96.2%	106.8%	93.7%		93.6%		n/a		n/a		94.7%		99.0%	

General Insurance (unaudited)

Customer segment reporting – International Markets by region	in USD millions, for the six months ended June 30	Latin America		Asia-Pacific		Total	
		2014	2013	2014	2013	2014	2013
		Gross written premiums and policy fees	1,106	1,388	1,053	1,122	2,160
Net earned premiums and policy fees	970	923	940	971	1,910	1,894	
Net underwriting result	(7)	(66)	9	37	1	(29)	
Business operating profit		39	(19)	58	141	97	122

Ratios, as % of net earned premiums and policy fees

Loss ratio	54.6%	55.2%	63.9%	63.8%	59.2%	59.6%
Expense ratio	46.1%	51.9%	35.2%	32.3%	40.7%	41.9%
Combined ratio	100.8%	107.2%	99.1%	96.1%	99.9%	101.5%

Customer segment reporting – International Markets Commercial and Personal	in USD millions, for the six months ended June 30	Commercial		Personal		Eliminations		Total	
		2014	2013	2014	2013	2014	2013	2014	2013
		Gross written premiums and policy fees	882	812	1,299	1,700	(22)	(2)	2,160
Net earned premiums and policy fees	785	699	1,124	1,195	–	–	1,910	1,894	
Net underwriting result	(26)	(11)	27	(18)	–	–	1	(29)	
Business operating profit		36	57	61	65	–	–	97	122

Ratios, as % of net earned premiums and policy fees

Loss ratio	72.6%	68.5%	49.8%	54.4%	n/a	n/a	59.2%	59.6%
Expense ratio	30.7%	33.0%	47.8%	47.1%	n/a	n/a	40.7%	41.9%
Combined ratio	103.3%	101.6%	97.6%	101.5%	n/a	n/a	99.9%	101.5%

International Markets – Asia-Pacific	in USD millions, for the six months ended June 30	Asia-Pacific		of which: Mature Markets ¹	
		2014	2013	2014	2013
		Gross written premiums and policy fees	1,053	1,122	773
Net earned premiums and policy fees	940	971	712	753	
Net underwriting result	9	37	(4)	(3)	
Business operating profit		58	141	36	43

Ratios, as % of net earned premiums and policy fees

Loss ratio	63.9%	63.8%	68.6%	71.0%
Expense ratio	35.2%	32.3%	32.0%	29.4%
Combined ratio	99.1%	96.1%	100.6%	100.4%

¹ Mature markets include the Group's operations in Australia, New Zealand and Japan.

Global Life (unaudited)

Global Life –
Overview

in USD millions, for the six months ended June 30

	North America		Latin America		Europe		Asia-Pacific and Middle East		Other		Eliminations		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenues														
Life insurance deposits	282	139	954	869	4,968	3,803	776	822	102	465	–	–	7,082	6,098
Gross written premiums ¹	283	275	1,399	1,653	3,718	3,366	334	423	201	104	(70)	(39)	5,865	5,782
Policy fees	178	154	39	29	918	906	139	57	(1)	4	–	–	1,273	1,150
Gross written premiums and policy fees	461	429	1,438	1,682	4,636	4,272	473	480	200	108	(70)	(39)	7,139	6,931
Net earned premiums and policy fees	357	322	1,441	1,442	4,438	4,063	405	413	194	93	–	–	6,835	6,334
Net investment income on Group investments	134	146	135	169	1,635	1,596	71	74	7	6	(1)	–	1,981	1,990
Net capital gains/(losses) and impairments on Group investments	–	–	6	(95)	343	333	11	11	–	–	–	–	361	249
Net investment result on Group investments	134	146	141	74	1,979	1,929	82	85	7	6	(1)	–	2,342	2,240
Net investment income on unit-linked investments	(7)	(17)	6	7	1,011	969	39	38	15	16	–	–	1,064	1,012
Net capital gains/(losses) and impairments on unit-linked investments	18	34	515	167	2,302	4,196	132	416	87	(20)	–	–	3,054	4,793
Net investment result on unit-linked investments	11	17	521	174	3,312	5,165	171	454	102	(5)	–	–	4,118	5,805
Other income	42	44	65	122	218	153	98	100	170	131	(1)	(2)	592	549
Total BOP revenues	545	529	2,168	1,813	9,948	11,310	755	1,052	474	225	(1)	(2)	13,888	14,928
Benefits, losses and expenses														
Insurance benefits and losses, net ¹	237	195	659	599	3,969	3,503	87	132	117	63	–	–	5,069	4,493
Policyholder dividends and participation in profits, net	19	27	530	187	3,981	5,747	273	536	139	(2)	–	–	4,944	6,496
Income tax expense/(benefit) attributable to policyholders	–	–	–	–	(29)	146	8	1	–	–	–	–	(21)	147
Underwriting and policy acquisition costs, net	70	60	563	496	671	686	88	55	110	62	–	–	1,502	1,359
Administrative and other operating expense (excl. depreciation/amortization)	82	75	150	175	663	603	247	239	176	119	(1)	(2)	1,316	1,210
Interest credited to policyholders and other interest	77	74	4	43	115	119	13	11	(1)	–	(1)	–	208	248
Restructuring provisions and other items not included in BOP	–	–	(15)	–	(48)	(32)	(22)	–	(33)	(9)	–	–	(118)	(41)
Total BOP benefits, losses and expenses	486	432	1,891	1,500	9,323	10,773	694	974	508	235	(1)	(2)	12,900	13,912
Business operating profit (before interest, depreciation and amortization)	58	97	277	314	625	537	61	78	(34)	(9)	–	–	988	1,016
Depreciation and impairments of property and equipment	–	–	2	2	11	10	2	3	–	–	–	–	15	15
Amortization and impairments of intangible assets	21	11	48	65	141	116	4	4	4	–	–	–	218	196
Interest expense on debt	–	2	–	–	7	7	–	–	2	1	–	–	9	11
Business operating profit before non-controlling interests	37	84	227	247	466	404	54	71	(39)	(11)	–	–	745	794
Non-controlling interests	–	–	99	125	14	11	(2)	(1)	–	–	–	–	111	135
Business operating profit	37	84	128	122	452	392	56	72	(39)	(11)	–	–	634	659

¹ Europe includes approximately USD 383 million and USD 234 million of gross written premiums and future life policyholders' benefits for certain universal life-type contracts in the Group's Spanish operations for the six months ended June 30, 2014 and 2013, respectively (see note 3 of the Consolidated financial statements 2013).

Global Life (unaudited)

Global Life – Europe by country	in USD millions, for the six months ended June 30		United Kingdom		Germany		Switzerland		Ireland		Spain		Italy		Rest of Europe		Eliminations		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenues																				
Life insurance deposits	1,886	1,109	1,009	944	68	60	1,469	1,316	41	34	408	278	86	63	–	–	4,968	3,803		
Gross written premiums ¹	361	315	1,160	1,165	1,018	998	322	262	552	394	178	152	159	110	(33)	(30)	3,718	3,366		
Policy fees	491	548	248	195	17	(4)	133	109	12	10	11	42	6	5	–	–	918	906		
Gross written premiums and policy fees	853	863	1,407	1,360	1,035	995	456	371	564	404	189	194	165	115	(33)	(30)	4,636	4,272		
Net earned premiums and policy fees	811	788	1,358	1,310	1,011	979	397	318	531	378	169	178	162	113	–	–	4,438	4,063		
Net investment income on Group investments	127	120	785	776	341	335	44	40	140	141	150	135	48	49	–	–	1,635	1,596		
Net capital gains/(losses) and impairments on Group investments	59	(79)	285	303	38	47	(41)	55	1	–	–	(10)	2	16	–	–	343	333		
Net investment result on Group investments	185	41	1,070	1,079	378	382	3	95	141	142	150	125	51	65	–	–	1,979	1,929		
Net investment income on unit-linked investments	753	731	12	6	5	4	138	134	107	97	(6)	(4)	1	1	–	–	1,011	969		
Net capital gains/(losses) and impairments on unit-linked investments	836	3,336	708	435	20	13	673	253	4	115	42	42	18	2	–	–	2,302	4,196		
Net investment result on unit-linked investments	1,589	4,067	720	440	25	17	811	387	110	212	37	38	19	3	–	–	3,312	5,165		
Other income	12	9	136	84	30	30	–	–	28	24	16	6	1	1	(4)	(2)	218	153		
Total BOP revenues	2,597	4,906	3,285	2,913	1,445	1,409	1,211	800	810	755	371	347	233	182	(4)	(2)	9,948	11,310		
Benefits, losses and expenses																				
Insurance benefits and losses, net ¹	429	291	1,422	1,462	1,022	919	231	163	524	384	182	176	161	109	–	–	3,969	3,503		
Policyholder dividends and participation in profits, net	1,614	3,900	1,250	906	96	154	778	450	118	218	92	84	33	34	–	–	3,981	5,747		
Income tax expense/(benefit) attributable to policyholders	(61)	128	19	4	–	–	13	14	–	–	–	–	–	–	–	–	(29)	146		
Underwriting and policy acquisition costs, net	274	305	202	201	71	79	69	54	16	13	24	24	18	10	(3)	(1)	671	686		
Administrative and other operating expense (excl. depreciation/amortization)	199	194	195	138	98	112	69	64	58	51	40	39	4	7	(1)	(1)	663	603		
Interest credited to policyholders and other interest	3	4	84	78	9	8	15	28	1	1	4	–	–	–	–	–	115	119		
Restructuring provisions and other items not included in BOP	(54)	(34)	–	–	7	4	–	–	–	–	(1)	(2)	–	–	–	–	(48)	(32)		
Total BOP benefits, losses and expenses	2,404	4,789	3,172	2,789	1,302	1,275	1,176	773	716	667	341	322	216	160	(4)	(2)	9,323	10,773		
Business operating profit (before interest, depreciation and amortization)	193	117	113	124	142	134	36	27	94	87	31	25	17	22	–	–	625	537		
Depreciation and impairments of property and equipment	4	3	5	5	1	1	–	–	–	–	–	–	1	1	–	–	11	10		
Amortization and impairments of intangible assets	78	20	1	37	2	1	–	–	52	50	8	7	–	–	–	–	141	116		
Interest expense on debt	1	1	–	–	–	–	–	–	6	6	–	–	–	–	–	–	7	7		
Business operating profit before non-controlling interests	110	93	107	82	139	131	35	26	35	31	23	18	17	22	–	–	466	404		
Non-controlling interests	–	–	1	2	–	–	–	–	13	10	–	–	–	–	–	–	14	11		
Business operating profit	110	93	106	81	139	131	35	26	22	21	23	18	17	22	–	–	452	392		

¹ Spain includes approximately USD 383 million and USD 234 million of gross written premiums and future life policyholders' benefits for certain universal life-type contracts for the six months ended June 30, 2014 and 2013, respectively (see note 3 of the Consolidated financial statements 2013).

Global Life (unaudited)

Global Life –
Asia-Pacific and
Middle East

in USD millions, for the six months ended June 30

	Asia-Pacific and Middle East		of which Mature Markets ¹	
	2014	2013	2014	2013
Insurance deposits	776	822	30	50
Gross written premiums	334	423	191	182
Policy fees	139	57	22	21
Gross written premiums and policy fees	473	480	214	203
Net earned premiums and policy fees	405	413	169	159
Net investment income on Group investments	71	74	12	14
Net capital gains/(losses) and impairments on Group investments	11	11	12	(4)
Net investment result on Group investments	82	85	24	10
Net investment result on unit-linked investments	171	454	43	141
Total BOP benefits, losses and expenses	694	974	266	345
Business operating profit	56	72	32	32

¹ Mature markets include the Group's operations in Australia and Japan.

Global Life (unaudited)

Global Life –
Revenues by region

in USD millions, for the six months ended June 30

	Gross written premiums and policy fees from external customers		Life insurance deposits	
	2014	2013	2014	2013
North America				
United States	461	429	282	139
North America	461	429	282	139
Latin America				
Chile	485	555	31	5
Argentina	62	58	29	25
Mexico	195	163	2	240
Venezuela	21	30	–	–
Brazil	673	874	893	600
Uruguay	3	3	–	–
Latin America	1,438	1,682	954	869
Europe				
United Kingdom	850	860	1,886	1,109
Germany	1,381	1,334	1,009	944
Switzerland	1,035	995	68	60
Ireland ¹	456	371	1,469	1,316
Spain	564	404	41	34
Italy	189	194	408	278
Portugal	15	14	56	37
Austria	120	74	31	26
Europe	4,610	4,246	4,968	3,803
Asia-Pacific and Middle East				
Hong Kong	41	47	41	61
Taiwan	–	–	3	2
Indonesia	2	1	–	–
Australia	167	162	30	40
Japan	47	41	–	9
Singapore	2	3	1	–
Malaysia	86	112	24	–
Zurich International Life ²	127	114	676	710
Asia-Pacific and Middle East	473	480	776	822
Other				
Luxembourg ¹	7	4	102	465
International Group Risk Solutions ³	109	59	–	–
Other	116	63	102	465
Total	7,098	6,900	7,082	6,098

¹ Includes business written under freedom of services and freedom of establishment in Europe.² Mainly includes business written through licenses into Asia-Pacific and Middle East.³ Includes business written through licenses into all regions.

Farmers (unaudited)

Farmers –
Overview

in USD millions, for the six months ended June 30

	Farmers Management Services		Farmers Re		Total	
	2014	2013	2014	2013	2014	2013
Gross written premiums and policy fees	–	–	1,960	2,034	1,960	2,034
Net earned premiums and policy fees	–	–	1,969	2,053	1,969	2,053
Management fees and other related revenues	1,391	1,408	–	–	1,391	1,408
Insurance benefits and losses, net	–	–	(1,363)	(1,468)	(1,363)	(1,468)
Management and other related expenses	(717)	(738)	–	–	(717)	(738)
Total net technical expenses	–	–	(617)	(644)	(617)	(644)
Gross management result	674	670	–	–	n/a	n/a
Net underwriting result	–	–	(11)	(58)	n/a	n/a
Net investment income	6	20	30	34	36	54
Net capital gains/(losses) and impairments on investments	–	–	–	–	–	–
Other net income/Net non-technical result (excl. items not included in BOP)	21	(2)	35	33	56	31
Business operating profit before non-controlling interests	702	687	53	9	756	696
Non-controlling interests	–	–	–	–	–	–
Business operating profit	702	687	53	9	756	696
Ratios, as % of net earned premiums and policy fees						
Loss ratio			69.2%	71.5%		
Expense ratio			31.3%	31.3%		
Combined ratio			100.6%	102.8%		

Additional information (unaudited)

Principal
exchange rates

USD per foreign currency unit

	Consolidated balance sheets		Consolidated income statements and cash flows	
	06/30/14	12/31/13	06/30/14	06/30/13
Euro	1.3691	1.3778	1.3710	1.3132
Swiss franc	1.1276	1.1228	1.1226	1.0683
British pound	1.7105	1.6568	1.6686	1.5448

Additional information (unaudited)

Net investment result	in USD millions, for the six months ended June 30							
	Net investment income		Net capital gains/(losses) on investments and impairments		Net investment result		of which impairments	
	2014	2013	2014	2013	2014	2013	2014	2013
Group investments								
Cash and cash equivalents	18	17	–	–	19	16	–	–
Equity securities	189	162	362	390	551	553	(9)	(44)
Debt securities	2,401	2,410	664	15	3,065	2,425	2	1
Real estate held for investment	252	240	(5)	37	248	277	–	–
Mortgage loans	173	193	(11)	(44)	162	149	(11)	(44)
Other loans	307	282	62	165	368	447	–	–
Investments in associates and joint ventures	8	5	37	1	44	6	(2)	–
Derivative financial instruments ¹	–	–	44	(429)	44	(429)	–	–
Investment result, gross, for Group investments	3,348	3,310	1,152	135	4,500	3,445	(20)	(88)
Investment expenses for Group investments ²	(132)	(122)	–	–	(132)	(122)	–	–
Investment result, net, for Group investments	3,217	3,187	1,152	135	4,369	3,323	(20)	(88)
Investments for unit-linked contracts								
Investment result, net, for investments for unit-linked contracts	948	904	3,457	4,732	4,405	5,636	–	–
Total investments								
Investment result, net, for total investments	4,164	4,091	4,609	4,867	8,773	8,958	(20)	(88)

¹ Net capital losses on derivatives attributable to cash flow hedge ineffectiveness amounted to USD 2 million and USD 4 million for the six months ended June 30, 2014 and 2013, respectively.

² Including rental operating expense for real estate held for Group investments of USD 49 million and USD 55 million for the six months ended June 30, 2014 and 2013, respectively.

Details of investments by category	as of	06/30/14		12/31/13	
		USD millions	% of Group	USD millions	% of Group
Total Group Investments		214,743	100.0	207,280	100.0
Cash and cash equivalents		8,227	3.8	7,181	3.5
Equity securities:					
Fair value through profit or loss		3,679	1.7	3,425	1.7
Available-for-sale		12,445	5.8	9,758	4.7
Total equity securities		16,124	7.5	13,183	6.4
Debt securities:					
Fair value through profit or loss		7,455	3.5	7,121	3.4
Available-for-sale		148,815	69.3	144,723	69.8
Held-to-Maturity		4,516	2.1	4,613	2.2
Total debt securities		160,785	74.9	156,456	75.5
Real estate held for investment		8,904	4.1	8,745	4.2
Mortgage loans		9,197	4.3	9,798	4.7
Other loans		11,432	5.3	11,789	5.7
Investments in associates and joint ventures		74	0.0	129	0.1
Investments for unit-linked products		140,331		134,267	
Total investments		355,074		341,547	

Information for the three months ended June 30 (unaudited)

Business operating profit by business segment	in USD millions, for the three months ended June 30													
	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Eliminations		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenues														
Direct written premiums	8,868	8,517	2,711	2,579	–	–	–	–	23	25	–	–	11,602	11,122
Assumed written premiums	493	567	3	31	1,027	1,063	13	29	23	20	(25)	(48)	1,534	1,661
Gross Written Premiums	9,361	9,084	2,714	2,610	1,027	1,063	13	29	46	45	(25)	(48)	13,136	12,783
Policy fees	–	–	638	579	–	–	–	–	69	64	–	–	707	643
Gross written premiums and policy fees	9,361	9,084	3,351	3,189	1,027	1,063	13	29	115	109	(25)	(48)	13,843	13,426
Less premiums ceded to reinsurers	(1,545)	(1,747)	(141)	(169)	–	–	(13)	(13)	(4)	(9)	25	48	(1,678)	(1,890)
Net written premiums and policy fees	7,816	7,337	3,210	3,020	1,027	1,063	–	16	112	100	–	–	12,165	11,536
Net change in reserves for unearned premiums	(254)	(81)	22	(35)	(39)	(34)	2	2	1	–	–	–	(269)	(148)
Net earned premiums and policy fees	7,562	7,256	3,232	2,985	988	1,029	2	18	112	99	–	–	11,896	11,388
Farmers management fees and other related revenues	–	–	–	–	699	706	–	–	–	–	–	–	699	706
Net investment result on Group investments	600	568	1,202	1,088	18	28	83	86	207	(188)	(140)	(150)	1,971	1,432
Net investment income on Group investments	567	565	1,017	1,012	18	28	83	86	136	72	(140)	(150)	1,681	1,614
Net capital gains/(losses) and impairments on Group investments	33	3	185	76	–	–	–	–	71	(260)	–	–	289	(182)
Net investment result on unit-linked investments	–	–	2,727	(508)	–	–	–	–	211	(275)	–	–	2,938	(784)
Other income	232	211	323	221	36	15	201	201	6	23	(323)	(333)	475	338
Total BOP revenues	8,394	8,034	7,484	3,786	1,741	1,778	286	305	537	(341)	(463)	(483)	17,979	13,080
of which: inter-segment revenues	(97)	(94)	(101)	(100)	(9)	(16)	(239)	(263)	(18)	(9)	463	483	–	–
Benefits, losses and expenses														
Insurance benefits and losses, net	4,986	5,033	2,303	1,965	732	813	–	15	160	(54)	–	–	8,181	7,772
Losses and loss adjustment expenses, net	4,987	5,034	–	–	732	813	–	–	(15)	1	–	4	5,704	5,852
Life insurance death and other benefits, net	(1)	(1)	2,303	1,965	–	–	–	16	175	(55)	–	(4)	2,476	1,920
Policyholder dividends and participation in profits, net	1	1	3,184	(6)	–	–	–	–	233	(318)	–	–	3,419	(323)
Income tax expense/(benefit) attributable to policyholders	–	–	42	(96)	–	–	–	–	–	–	–	–	42	(96)
Underwriting and policy acquisition costs, net	1,464	1,378	740	711	310	323	–	–	2	2	(2)	(2)	2,513	2,410
Administrative and other operating expense (excl. depreciation/amortization)	1,075	950	696	588	323	338	309	320	24	19	(311)	(313)	2,116	1,902
Interest credited to policyholders and other interest	13	8	100	115	–	–	1	1	57	24	(13)	(11)	158	138
Restructuring provisions and other items not included in BOP	(70)	(11)	(90)	9	1	(6)	(24)	(74)	–	1	–	–	(183)	(80)
Total BOP benefits, losses and expenses (before interest, depreciation and amortization)	7,470	7,359	6,974	3,285	1,365	1,468	286	263	476	(326)	(327)	(326)	16,244	11,724
Business operating profit (before interest, depreciation and amortization)	924	675	510	501	376	310	–	42	61	(15)	(136)	(157)	1,734	1,356
Depreciation and impairments of property and equipment	21	22	8	8	12	12	2	5	–	–	–	–	43	46
Amortization and impairments of intangible assets	51	41	127	96	23	22	44	18	–	–	–	–	245	177
Interest expense on debt	29	37	5	5	–	–	238	254	3	5	(136)	(157)	139	146
Business operating profit before non-controlling interests	823	575	370	392	341	276	(284)	(235)	58	(21)	–	–	1,308	987
Non-controlling interests	16	13	56	41	–	–	(4)	(3)	1	–	–	–	68	50
Business operating profit	807	562	315	352	341	276	(280)	(232)	57	(21)	–	–	1,240	937

Information for the three months ended June 30 (unaudited)

Reconciliation of BOP to net income after income taxes

in USD millions, for the three months ended June 30

	General Insurance		Global Life		Farmers		Other Operating Businesses		Non-Core Businesses		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Business operating profit	807	562	315	352	341	276	(280)	(232)	57	(21)	1,240	937
Revenues/(expenses) not included in BOP:												
Net capital gains/(losses) on investments and impairments, net of policyholder allocation	112	158	89	41	5	(4)	(1)	2			205	197
Net gain/(loss) on divestments of businesses									(13)		(13)	
Restructuring provisions	(9)	(5)	(9)	(2)	1	(6)	(21)				(39)	(13)
Net income/(expense) on intercompany loans	(3)	(3)	(1)				4	3				
Impairment of goodwill			(59)								(59)	
Change in estimates of earn-out liabilities	(13)		(9)								(22)	
Other adjustments ¹	(44)	(3)	(12)	12			(7)	(77)		1	(63)	(67)
Add back:												
Business operating profit attributable to non-controlling interests	16	13	56	41			(4)	(3)	1		68	50
Net income before shareholders' taxes	866	722	369	442	347	266	(309)	(307)	45	(19)	1,318	1,104
Income tax expense/(benefit) attributable to policyholders			42	(96)							42	(96)
Net income before income taxes	866	722	411	345	347	266	(309)	(307)	45	(19)	1,359	1,008
Income tax expense											(466)	(157)
attributable to policyholders											(42)	96
attributable to shareholders											(425)	(253)
Net income after taxes											893	851
attributable to non-controlling interests											56	62
attributable to shareholders											837	789

¹ General Insurance includes real estate transfer tax of USD 41 million relating to the acquisition of non-controlling interests of Deutscher Herold AG for the three months ended June 30, 2014 (see note 2). Other Operating Businesses includes USD 77 million release of non-operational foreign exchange relating to the closure of a branch office for the three months ended June 30, 2013.

Information for the three months ended June 30 (unaudited)

General Insurance – Customer segment overview	in USD millions, for the three months ended June 30													
	Global Corporate		North America Commercial		Europe, Middle East & Africa		International Markets		GI Global Functions including Group Reinsurance		Eliminations		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Gross written premiums and policy fees ¹	2,565	2,296	2,825	2,866	2,927	2,749	1,098	1,305	95	108	(149)	(240)	9,361	9,084
Net earned premiums and policy fees	1,599	1,450	1,885	1,838	3,126	3,010	945	956	7	1	–	–	7,562	7,256
Insurance benefits and losses, net	1,226	1,079	1,227	1,294	1,984	2,124	548	538	1	(2)	–	–	4,986	5,033
Policyholder dividends and participation in profits, net	–	–	1	1	–	–	–	–	–	–	–	–	1	1
Total net technical expenses	337	311	575	516	948	924	395	413	(7)	(7)	–	–	2,248	2,157
Net underwriting result	37	60	82	27	194	(38)	1	5	13	10	–	–	327	65
Net investment income	137	129	154	161	203	200	56	57	18	20	(1)	(1)	567	565
Net capital gains/(losses) and impairments on investments	10	1	21	3	–	(1)	2	–	–	–	–	–	33	3
Net non-technical result (excl. items not included in BOP)	(19)	(13)	(9)	(7)	(24)	(7)	(45)	(9)	(8)	(22)	–	–	(104)	(58)
Business operating profit before non-controlling interests	165	177	248	184	374	153	13	52	23	8	–	–	823	575
Non-controlling interests	–	–	–	–	5	4	11	9	–	–	–	–	16	13
Business operating profit	165	177	248	184	368	149	2	43	23	8	–	–	807	562

Ratios, as % of net earned premiums and policy fees

Loss ratio	76.6%	74.4%	65.1%	70.4%	63.5%	70.6%	58.1%	56.3%	nm	nm	n/a	n/a	65.9%	69.4%
Expense ratio	21.1%	21.5%	30.5%	28.1%	30.3%	30.7%	41.8%	43.2%	nm	nm	n/a	n/a	29.7%	29.7%
Combined ratio	97.7%	95.9%	95.7%	98.5%	93.8%	101.3%	99.9%	99.5%	nm	nm	n/a	n/a	95.7%	99.1%

¹ For the three months ended June 30, 2013, gross written premiums relating to corporate business in Latin America were included within International Markets and then internally reinsured to Global Corporate. The internal reinsurance was then eliminated for total General Insurance but shown within gross written premiums for both Global Corporate and International Markets. For the three months ended June 30, 2014, the business was reported directly within Global Corporate.

Customer segment reporting – Europe, Middle East & Africa by country	in USD millions, for the three months ended June 30															
	United Kingdom		Germany		Switzerland		Italy		Rest of Europe		Middle East & Africa		Eliminations		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Gross written premiums and policy fees	885	792	466	413	397	373	413	407	611	595	161	174	(5)	(5)	2,927	2,749
Net earned premiums and policy fees	657	595	659	644	639	607	420	419	601	581	150	165	–	–	3,126	3,010
Net underwriting result	78	19	38	(106)	68	67	30	24	–	(16)	(20)	(27)	–	–	194	(38)
Business operating profit	112	71	71	(83)	109	106	53	49	29	17	(5)	(11)	–	–	368	149

Ratios, as % of net earned premiums and policy fees

Loss ratio	57.5%	64.8%	65.6%	83.8%	62.6%	65.3%	62.5%	65.3%	66.7%	70.0%	73.1%	74.1%	n/a	n/a	63.5%	70.6%
Expense ratio	30.6%	31.9%	28.7%	32.6%	26.8%	23.7%	30.3%	28.9%	33.3%	32.8%	40.0%	42.1%	n/a	n/a	30.3%	30.7%
Combined ratio	88.1%	96.7%	94.3%	116.4%	89.4%	89.0%	92.8%	94.2%	100.0%	102.8%	113.1%	116.2%	n/a	n/a	93.8%	101.3%

Information for the three months ended June 30 (unaudited)

Global Life –
Overview

in USD millions, for the three months ended June 30

	North America		Latin America		Europe		Asia-Pacific and Middle East		Other		Eliminations		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenues														
Life insurance deposits	164	69	531	437	2,698	1,890	406	488	23	240	–	–	3,823	3,125
Gross written premiums	143	138	710	751	1,674	1,467	177	221	32	47	(23)	(14)	2,714	2,610
Policy fees	90	77	21	12	455	465	75	23	(4)	2	–	–	638	579
Gross written premiums and policy fees	233	215	731	763	2,129	1,932	252	244	28	49	(23)	(14)	3,351	3,189
Net earned premiums and policy fees	181	160	739	723	2,054	1,850	218	212	41	40	–	–	3,232	2,985
Net investment income on Group investments	62	73	69	86	847	812	36	38	3	3	(1)	–	1,017	1,012
Net capital gains/(losses) and impairments on Group investments	–	–	4	(78)	169	159	13	(5)	–	–	–	–	185	76
Net investment result on Group investments	62	73	73	8	1,016	972	49	33	3	3	(1)	–	1,202	1,088
Net investment income on unit-linked investments	5	(6)	3	3	523	565	34	26	9	10	–	–	574	598
Net capital gains/(losses) and impairments on unit-linked investments	7	(4)	263	(33)	1,668	(687)	165	(319)	50	(63)	–	–	2,153	(1,106)
Net investment result on unit-linked investments	12	(10)	266	(30)	2,190	(122)	199	(294)	59	(53)	–	–	2,727	(508)
Other income	21	22	36	(7)	120	80	51	52	94	75	–	(1)	323	221
Total BOP revenues	277	245	1,114	694	5,380	2,780	516	3	197	64	(1)	(1)	7,484	3,786
Benefits, losses and expenses														
Insurance benefits and losses, net	86	104	359	255	1,824	1,547	20	36	14	24	–	–	2,303	1,965
Policyholder dividends and participation in profits, net	14	(5)	273	(27)	2,540	304	287	(224)	70	(53)	–	–	3,184	(6)
Income tax expense/(benefit) attributable to policyholders	–	–	–	–	34	(94)	8	(2)	–	–	–	–	42	(96)
Underwriting and policy acquisition costs, net	34	25	297	252	311	367	43	31	54	35	–	–	740	711
Administrative and other operating expense (excl. depreciation/amortization)	42	38	68	86	357	290	117	111	112	64	–	(1)	696	588
Interest credited to policyholders and other interest	39	37	2	(2)	56	74	6	6	(3)	–	(1)	–	100	115
Restructuring provisions and other items not included in BOP	–	–	(10)	–	(53)	13	(2)	–	(25)	(5)	–	–	(90)	9
Total BOP benefits, losses and expenses	215	199	988	564	5,069	2,501	479	(44)	223	65	(1)	(1)	6,974	3,285
Business operating profit (before interest, depreciation and amortization)	61	46	125	130	311	279	38	47	(25)	(1)	–	–	510	501
Depreciation and impairments of property and equipment	–	–	1	1	6	5	1	2	–	–	–	–	8	8
Amortization and impairments of intangible assets	15	6	24	31	83	57	2	2	2	(1)	–	–	127	96
Interest expense on debt	–	1	–	–	4	4	–	–	1	1	–	–	5	5
Business operating profit before non-controlling interests	46	40	100	98	218	213	34	43	(28)	(1)	–	–	370	392
Non-controlling interests	–	–	50	38	7	4	(1)	(1)	–	–	–	–	56	41
Business operating profit	46	40	51	60	211	209	35	44	(28)	(1)	–	–	315	352

Information for the three months ended June 30 (unaudited)

Global Life – Europe by country	in USD millions, for the three months ended June 30		United Kingdom		Germany		Switzerland		Ireland		Spain		Italy		Rest of Europe		Eliminations		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Revenues																				
Life insurance deposits	1,025	452	577	525	35	34	792	698	17	(18)	214	166	39	33	–	–	2,698	1,890		
Gross written premiums	177	156	594	593	262	235	235	187	285	190	88	76	47	45	(14)	(15)	1,674	1,467		
Policy fees	216	278	147	97	9	(3)	71	58	6	1	4	31	3	2	–	–	455	465		
Gross written premiums and policy fees	393	434	741	690	271	231	305	245	292	192	92	107	50	48	(14)	(15)	2,129	1,932		
Net earned premiums and policy fees	367	397	716	666	271	230	275	217	285	189	90	104	50	48	–	–	2,054	1,850		
Net investment income on Group investments	67	60	404	391	175	169	26	22	70	72	80	73	25	25	–	–	847	812		
Net capital gains/(losses) and impairments on Group investments	18	(103)	149	187	19	17	(19)	61	–	–	–	(3)	2	–	–	–	169	159		
Net investment result on Group investments	85	(43)	553	578	194	187	7	84	70	72	80	69	27	24	–	–	1,016	972		
Net investment income on unit-linked investments	380	438	–	–	5	4	83	79	57	44	(2)	–	–	–	–	–	523	565		
Net capital gains/(losses) and impairments on unit-linked investments	569	(260)	586	(148)	11	(10)	468	(286)	–	13	22	6	11	(2)	–	–	1,668	(687)		
Net investment result on unit-linked investments	949	178	586	(148)	16	(7)	551	(207)	58	58	20	6	11	(1)	–	–	2,190	(122)		
Other income	5	5	84	46	13	14	–	–	14	12	5	3	1	1	(1)	–	120	80		
Total BOP revenues	1,406	538	1,939	1,142	494	424	833	93	427	330	195	181	88	72	(1)	–	5,380	2,780		
Benefits, losses and expenses																				
Insurance benefits and losses, net	213	134	718	731	281	231	184	130	280	194	96	85	51	42	–	–	1,824	1,547		
Policyholder dividends and participation in profits, net	918	164	902	135	52	31	540	(147)	60	62	48	49	19	9	–	–	2,540	304		
Income tax expense/(benefit) attributable to policyholders	13	(101)	12	(2)	–	–	9	9	–	–	–	–	–	–	–	–	34	(94)		
Underwriting and policy acquisition costs, net	111	177	105	106	28	33	39	30	10	7	12	11	8	3	(1)	–	311	367		
Administrative and other operating expense (excl. depreciation/amortization)	99	89	120	62	57	55	34	34	27	26	19	21	1	3	–	–	357	290		
Interest credited to policyholders and other interest	–	2	42	46	5	3	8	22	1	1	2	–	–	–	–	–	56	74		
Restructuring provisions and other items not included in BOP	(54)	15	–	–	3	–	–	–	–	–	(1)	(2)	–	–	–	–	(53)	13		
Total BOP benefits, losses and expenses	1,300	479	1,899	1,078	426	354	814	79	378	290	176	164	78	58	(1)	–	5,069	2,501		
Business operating profit (before interest, depreciation and amortization)	106	59	40	64	68	71	19	14	49	40	18	17	10	14	–	–	311	279		
Depreciation and impairments of property and equipment	2	2	2	2	1	–	–	–	–	–	–	–	–	–	–	–	6	5		
Amortization and impairments of intangible assets	68	10	(18)	17	1	1	–	–	27	25	4	4	–	–	–	–	83	57		
Interest expense on debt	1	1	–	–	–	–	–	–	3	3	–	–	–	–	–	–	4	4		
Business operating profit before non-controlling interests	35	46	55	44	66	70	19	14	19	12	14	14	10	13	–	–	218	213		
Non-controlling interests	–	–	–	1	–	–	–	–	7	3	–	–	–	–	–	–	7	4		
Business operating profit	35	46	55	43	66	70	19	14	12	9	14	14	10	13	–	–	211	209		

Information for the three months ended June 30 (unaudited)

Farmers –
Overview

in USD millions, for the three months ended June 30

	Farmers Management Services		Farmers Re		Total	
	2014	2013	2014	2013	2014	2013
Gross written premiums and policy fees	–	–	1,027	1,063	1,027	1,063
Net earned premiums and policy fees	–	–	988	1,029	988	1,029
Management fees and other related revenues	699	706	–	–	699	706
Insurance benefits and losses, net	–	–	(732)	(813)	(732)	(813)
Management and other related expenses	(358)	(366)	–	–	(358)	(366)
Total net technical expenses	–	–	(310)	(323)	(310)	(323)
Gross management result	341	339	–	–	n/a	n/a
Net underwriting result	–	–	(54)	(107)	n/a	n/a
Net investment income	3	11	15	17	18	28
Net capital gains/(losses) and impairments on investments	–	–	–	–	–	–
Other net income/Net non-technical result (excl. items not included in BOP)	18	(1)	18	17	36	16
Business operating profit before non-controlling interests	362	349	(21)	(73)	341	276
Non-controlling interests	–	–	–	–	–	–
Business operating profit	362	349	(21)	(73)	341	276
Ratios, as % of net earned premiums and policy fees						
Loss ratio			74.1%	79.0%		
Expense ratio			31.3%	31.4%		
Combined ratio			105.5%	110.4%		

Summary of quarterly consolidated financial information (unaudited)

Summary of quarterly consolidated financial information	in USD millions, for the three months ended									
	06/30/14	03/31/14	12/31/13	09/30/13	06/30/13	03/31/13	12/31/12	09/30/12	06/30/12	
Gross written premiums and policy fees	13,843	15,471	13,206	12,712	13,426	15,505	13,513	12,220	13,167	
Net earned premiums and policy fees	11,896	12,145	12,494	11,688	11,388	11,708	12,829	11,142	11,206	
Net investment result on Group investments	2,176	2,193	2,134	1,941	1,629	1,693	2,842	2,007	2,359	
Net investment income on Group investments	1,681	1,535	1,582	1,471	1,614	1,573	1,629	1,677	1,746	
Net capital gains/(losses) on Group investments and impairments	495	658	552	470	15	120	1,213	330	613	
Net investment result on unit-linked investments	2,938	1,467	4,218	2,951	(784)	6,419	2,247	3,981	(1,700)	
Other revenues	1,161	1,066	1,174	1,139	1,043	1,209	1,107	1,158	1,144	
Total revenues	18,171	16,871	20,019	17,720	13,277	21,030	19,026	18,289	13,009	
Insurance benefits and losses, net of reinsurance	8,181	8,566	8,618	7,811	7,772	7,997	9,495	8,068	8,179	
Policyholder dividends and participation in profits, net of reinsurance	3,419	1,900	4,352	3,277	(323)	6,641	2,664	4,179	(1,235)	
Other expenses	5,213	4,710	5,404	5,069	4,820	4,648	5,326	5,028	4,825	
Total benefits, losses and expenses	16,812	15,175	18,374	16,157	12,269	19,286	17,485	17,275	11,768	
Net income before income taxes	1,359	1,696	1,645	1,563	1,008	1,744	1,540	1,014	1,241	
Net income attributable to shareholders	837	1,272	1,074	1,103	789	1,062	988	672	1,087	
Business operating profit	1,240	1,381	1,113	1,279	937	1,351	573	998	1,142	

Summary of quarterly consolidated financial information – Key performance indicators by segment	in USD millions, for the three months ended									
	06/30/14	03/31/14	12/31/13	09/30/13	06/30/13	03/31/13	12/31/12	09/30/12	06/30/12	
Total revenues	18,171	16,871	20,019	17,720	13,277	21,030	19,026	18,289	13,009	
General Insurance	8,506	8,322	8,771	8,358	8,192	8,142	9,173	8,376	8,105	
Global Life	7,573	6,572	8,939	7,329	3,827	11,135	8,015	7,917	2,709	
Farmers	1,746	1,715	1,766	1,783	1,774	1,777	1,883	1,885	1,870	
Other ¹	346	262	542	250	(516)	(25)	(45)	111	325	
Total benefits, losses and expenses	(16,812)	(15,175)	(18,374)	(16,157)	(12,269)	(19,286)	(17,485)	(17,275)	(11,768)	
General Insurance	(7,641)	(7,300)	(8,126)	(7,519)	(7,470)	(7,213)	(8,397)	(7,915)	(7,254)	
Global Life	(7,162)	(6,120)	(8,601)	(6,899)	(3,482)	(10,546)	(7,387)	(7,476)	(2,318)	
Farmers	(1,399)	(1,294)	(1,359)	(1,371)	(1,507)	(1,353)	(1,481)	(1,490)	(1,625)	
Other ¹	(610)	(462)	(288)	(368)	190	(174)	(220)	(394)	(572)	
Net income before income taxes	1,359	1,696	1,645	1,563	1,008	1,744	1,540	1,014	1,241	
General Insurance	866	1,022	645	839	722	930	776	461	851	
Global Life	411	452	338	430	345	589	628	441	392	
Farmers	347	421	408	412	266	424	402	395	245	
Other ¹	(264)	(200)	254	(118)	(326)	(199)	(265)	(283)	(247)	
Business operating profit	1,240	1,381	1,113	1,279	937	1,351	573	998	1,142	
General Insurance	807	845	736	755	562	807	27	449	778	
Global Life	315	319	294	318	352	308	385	308	368	
Farmers	341	415	408	412	276	420	411	394	227	
Other ¹	(223)	(198)	(324)	(206)	(252)	(184)	(250)	(153)	(232)	

¹ Including intersegment elimination.

Disclaimer and Cautionary Statements

Certain statements in this document are forward-looking statements, including, but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives of Zurich Insurance Group Ltd or the Zurich Insurance Group (the Group). Forward-looking statements include statements regarding the Group's targeted profit, return on equity targets, expenses, pricing conditions, dividend policy and underwriting and claims results, as well as statements regarding the Group's understanding of general economic, financial and insurance market conditions and expected developments. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results and plans and objectives of Zurich Insurance Group Ltd or the Group to differ materially from those expressed or implied in the forward-looking statements (or from past results). Factors such as (i) general economic conditions and competitive factors, particularly in key markets; (ii) the risk of a global economic downturn; (iii) performance of financial markets; (iv) levels of interest rates and currency exchange rates; (v) frequency, severity and development of insured claims events; (vi) mortality and morbidity experience; (vii) policy renewal and lapse rates; and (viii) changes in laws and regulations and in the policies of regulators may have a direct bearing on the results of operations of Zurich Insurance Group Ltd and its Group and on whether the targets will be achieved. Zurich Insurance Group Ltd undertakes no obligation to publicly update or revise any of these forward-looking statements, whether to reflect new information, future events or circumstances or otherwise.

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